

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 219 - SB 370**

February 22, 2011

**SUMMARY OF BILL:** Authorizes the sale of D.O.T. Class C common fireworks within the city of East Ridge.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue –\$44,100**

**Increase State Expenditures – Not Significant**

**Increase Local Revenue – Exceeds \$14,200**

**Assumptions:**

- According to the Department of Revenue, the average fireworks sales tax account posts annual sales of \$63,000, resulting in approximately \$4,410 state sales tax revenue, and \$1,418 local sales tax revenue per stand.
- According to the Tennessee Department of Commerce Fire Prevention Division, 10 fireworks permits were issued for the similarly sized and situated Springfield/Greenbrier area in 2010.
- There will be 10 permits issued by the Department of Commerce and Insurance within East Ridge city limits for the sale of Class C common fireworks resulting in an increase to state revenue of \$44,100 (\$4,410 x 10) and local government revenue of \$14,180 (\$1,418 x 10).
- Issuing additional fireworks permits and collecting sales tax revenue will result in a not significant increase to state expenditures.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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